

Assembly Bill No. 908

Passed the Assembly April 24, 2003

Chief Clerk of the Assembly

Passed the Senate July 21, 2003

Secretary of the Senate

This bill was received by the Governor this _____ day of
_____, 2003, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to add Section 89536.1 to the Education Code, relating to the California State University.

LEGISLATIVE COUNSEL'S DIGEST

AB 908, Chan. California State University: disability retirement: temporary disability allowances for employees.

Existing law establishes the California State University and its various campuses under the administration of the Trustees of the California State University. Existing law generally requires that, when a state employer has determined that an employee is unable to perform the work of his or her present position, or any other position in the agency, the employer remove the employee from the job, place the employee on involuntary leave, and apply, on that employee's behalf, for disability retirement. Existing law also generally requires that, while the application for disability retirement is pending, the state employer permit the employee to use leave credits or, if the leave credits have been exhausted, the state employer pay the employee a sufficient temporary allowance so that the employee receives payment equal to the estimated retirement allowance. This provision is not applicable to employees of the California State University.

This bill would require the trustees to provide disability retirement temporary disability allowances for employees of California State University in a manner similar to what is required in existing law by other state employers.

The people of the State of California do enact as follows:

SECTION 1. Section 89536.1 is added to the Education Code, to read:

89536.1. (a) If, after considering the conclusions of a medical examination or medical reports from an employee's physician or other pertinent information, the trustees determine that the employee is unable to perform the work of his or her present position or any other position in the state university system, and the employee is eligible for, and does not waive the right to, retire for disability, the trustees shall file an application for



disability retirement on the employee's behalf. The trustees shall give the employee 15 days' written notice of their intention to file the application and a reasonable opportunity to respond prior to the filing of the application. However, the decision to file the application is final, and is not appealable to the State Personnel Board.

(b) Notwithstanding Section 21153 of the Government Code, upon filing the application for disability retirement, the trustees may remove the employee from his or her job and place the employee on involuntary leave status. The employee may use any accrued leave during the period of the involuntary leave. If the employee's leave credits and programs are exhausted, or if they do not provide benefits that are at least equal to the estimated retirement allowance, the trustees shall pay the employee an additional temporary disability allowance so that the employee receives payment that is equal to the estimated retirement allowance. The trustees shall continue to make all employer contributions to the employee's health insurance plan during the period of involuntary leave.

(c) If the application for disability retirement is subsequently granted, the retirement system shall reimburse the trustees for the temporary disability allowance, which shall be deducted from any back disability retirement benefits that are otherwise payable to the employee. If the application is denied, the trustees shall reinstate the employee to his or her position, with back salary and benefits, less any temporary disability allowance paid by the trustees. The trustees shall also restore any leave credits that the employee used during the period of the involuntary leave.



Approved _____, 2003

Governor

